



BUS AND COACH ASSOCIATION (Tas) Inc.
Member of TTC and ABCA

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Secretary
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Mr. Andrew Reeves,
Commissioner
Government Prices Oversight
Commission
G.P.O. Box 770
Hobart. Tasmania. 7001

Dear Mr. Reeves,

We are in receipt of the investigation of Metro Pricing Policies Draft Report for which we thank you.

Our Association wishes to refer to your paragraph 4.2. with reference to "Exclusion of Charter Costs".

We feel the full gambit of purchase price of a bus depreciation etc... is a must to be in the bus price of any charter quote that Metro offer in that market place.

The tasmanian taxpayer should not be subsidizing the local charter bus users as this shows a deliberate reflection that the private bus industry is not competitive.

Metro Operations - Chapter 1 -

This table indicates an annual bus kms of 10.4M km.

In the context of the 3rd paragraph of 2.1.1."aggregate" implying the total scheduled route services is taken to mean 'services including scheduled services and passenger route services. there is \$18.3M government payment and 87.72M fare box, reaching a total income for the \$26.02M.

Therefore, based on the aggregate 10.4 bus km, a derived figure is \$2.40 per km, which is , in comparison, well above government contribution/fare box of private enterprise return on investment.

Consequently Metro's full recovery costs, including repairs, maintenance and fuel has been paid by the fare box income and the taxpayer, thus the only cost charged to the charter client is driver's wages.

This is a gross impost on the taxpayer and as Commissioner you

are duty bound to fully investigate the real cost of

- * C.S.O.
- * Contract services
- * School contracts

On completion of the above study, our Association looks forward to input the real taxpayers cost for the above services.

Thank you for the opportunity to have input, and we look forward to a new Metro at SM's savings to the taxpayer.

Sincerely Yours,



M. Barnes
Executive Officer.
Bus and Coach Association (Tas) Inc.